

# AXA to acquire Winterthur

June 14, 2006

Press Conference - Zürich



Be Life Confident

## Cautionary statements

*Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predications of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties, including the risk that the proposed merger may not be consummated. The following factors, among others, could cause actual results to differ materially from those described herein or from past results: the risk that the AXA and Winterthur businesses will not be integrated successfully; the costs related to the transaction; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals and consents; other risks and uncertainties affecting AXA's and Winterthur's businesses including, without limitation, the risk of future catastrophic events including possible future weather-related catastrophic events, terrorist related incidents, economic and market developments, regulatory actions and developments, litigations and other proceedings.*

*Please refer to AXA's Annual Report on Form 20-F for the year ended December 31, 2004 and AXA's Document de Référence for the year ended December 31, 2005, for a description of certain important factors, risks and uncertainties that may affect AXA's business. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.*

*Please refer to Winterthur's Annual Report for the year ended December 31, 2005, for a description of certain important factors, risks and uncertainties that may affect Winterthur's business.*

*The information relating to Winterthur in this presentation has been taken from Winterthur's Annual Report for the year ended December 31, 2005 and from other public sources.*

*This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended.*



## Table of contents

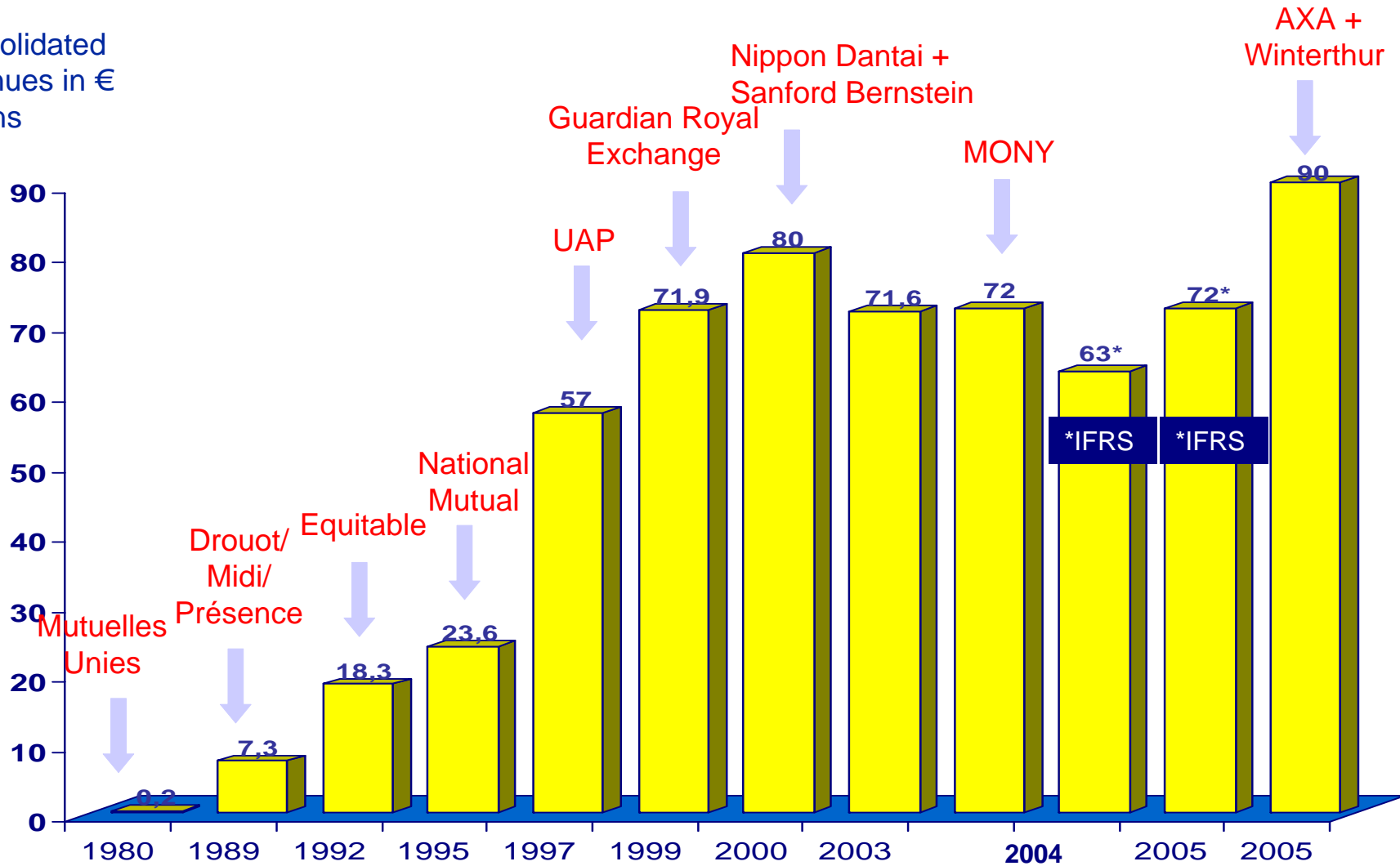
- 1 : AXA : Profile of a global leader in Financial Protection
- 2 : Winterthur is a great strategic opportunity for AXA
- 3 : Together AXA and Winterthur will have stronger positions in the key European markets and enhanced exposure to the booming markets of Asia and Central & Eastern Europe
- 4 : Conclusion



# AXA: historical highlights

## A unique growth and success story

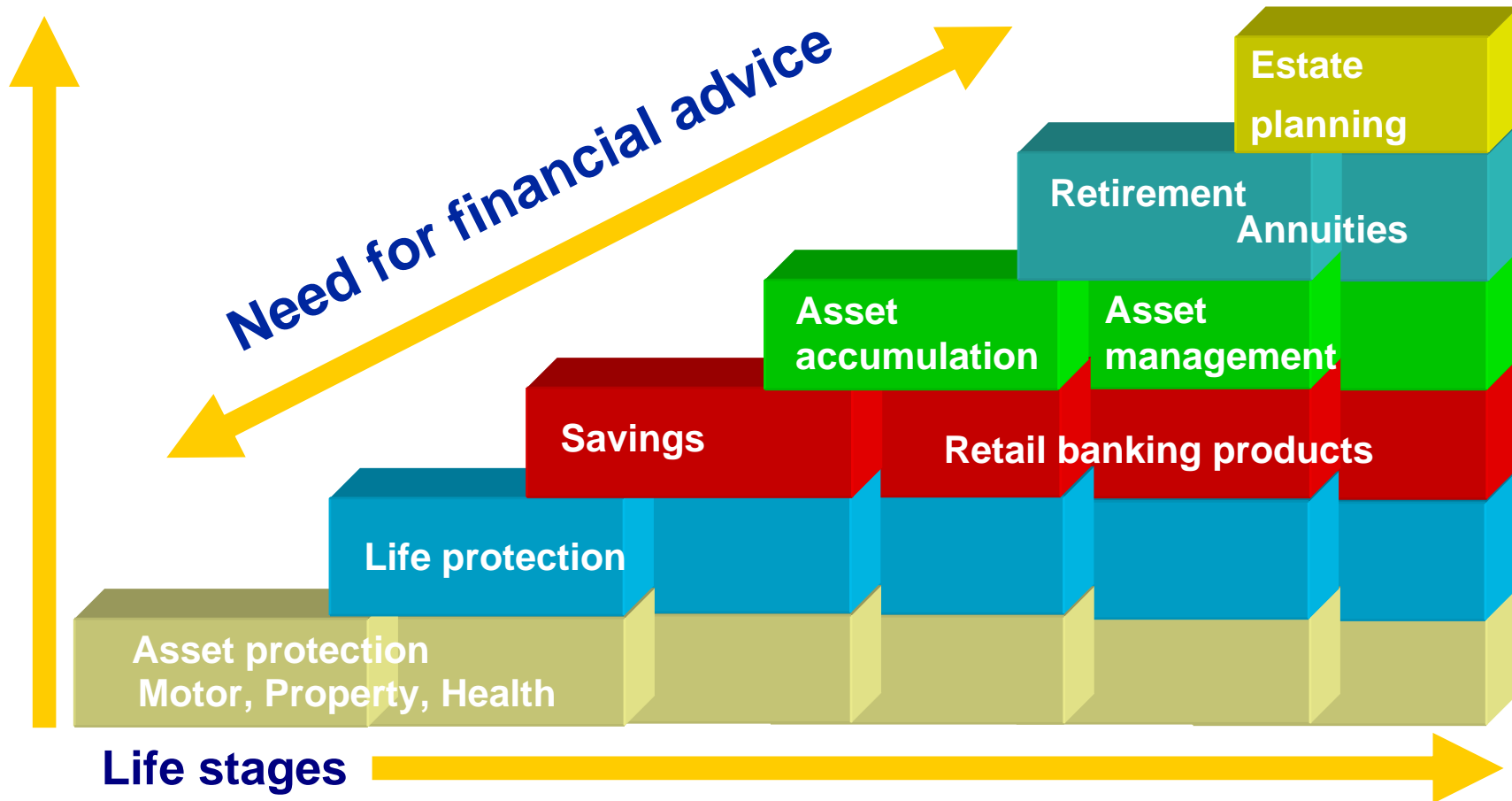
Consolidated revenues in € billions



\* International Financial Reporting Standards

Press Conference – June 14, 2006 – 4

**Our Mission :  
Financial Protection**



*To help our clients be life confident*



**AXA is the third largest player by market cap in its industry**

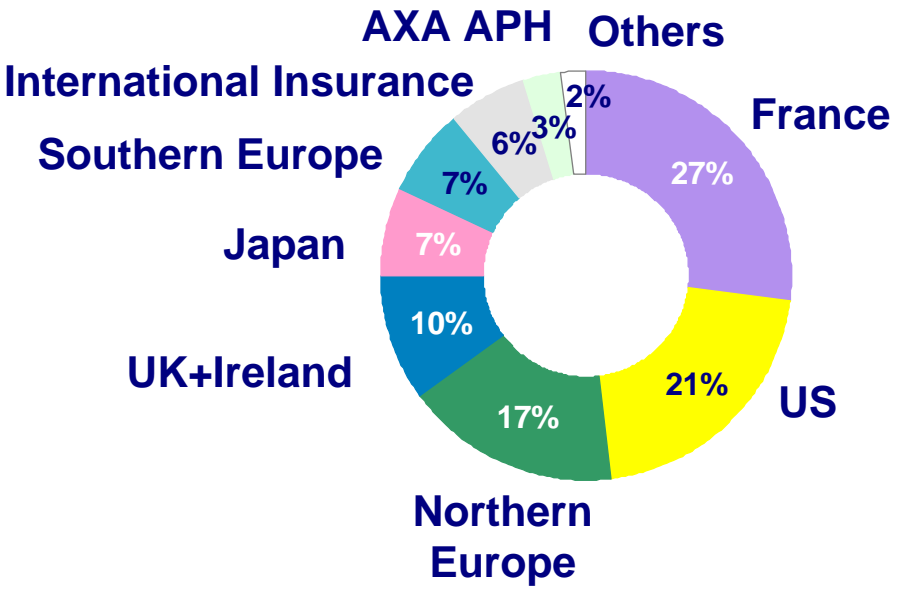
As of June 9, 2006 (in Euro billion)	
1. AIG	124.2
2. ING	64.7
3. AXA	47.9
4. Allianz	46.6
5. Manulife	41.4
6. Generali	35.6
7. Fortis	34.2
8. MetLife	31.0
9. Prudential, Inc.	30.2
10. Allstate	27.4



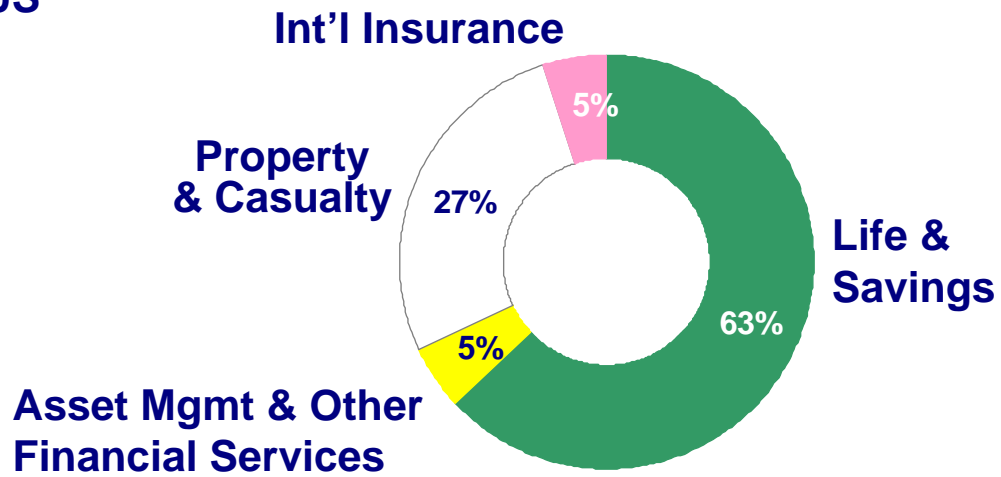
# AXA has built an unmatched global platform in terms of diversification

## FY05 IFRS insurance revenues by geography

IFRS Revenues 2005 : 71.671 billion Euros



## FY05 IFRS revenues by operating segment



# A perfect fit with AXA's profile and a value-enhancing transaction make Winterthur a compelling opportunity in AXA's growth story

## A compelling opportunity in a concentrating and growing market

- Top 10 European composite insurance player with a strong reputation
- Leading position in Switzerland and strong presence in 5 key European markets for AXA, as well as a growing foothold in CEE and Asia
- Strong earnings momentum after some difficult years

## A perfect cultural and business fit with AXA

- Very complementary business, product and distribution mix
- Strengthening AXA's franchises in core European and Asian markets
- Similar organization and strong cultural fit

## A value-enhancing transaction

- Attractive price given significant synergy potential and low integration risk
- Strongly accretive to adjusted EPS (1)
- Efficient use of AXA's financial flexibility and increased benefits from diversification

(1) Adjusted earnings are net income before the impact of exceptional operations, goodwill and related intangibles amortization/impairments, and profit or loss on financial assets under the fair value option and derivatives.



# Integration: AXA plans to leverage its extensive and successful experience in integrating acquired businesses

## People

- Creation of an integration committee composed of managers from both companies with a view to:
  - ▶ Finding and, post-closing, extending best practices across the combined entity
  - ▶ Selecting best managers based on competence and not on company of origin

## Organization

- Similar organization and strong cultural fit will ease integration
- Extensive preparatory work already done to allow swift process

## Local operations

- Our local operations are ready to integrate Winterthur's operations
- German integration will be eased by the recent streamlining of both companies' shareholding structures
- Intention to maintain in Switzerland the management of Swiss and CEE operations, as well as Winterthur's risk, closed portfolio and asset management activities

## Brand

- Flexible brand management



# Transaction highlights

## Consideration

- Acquisition of 100% of Winterthur paid in cash
- Acquisition price of CHF 12.3bn (Euro 7.9bn)
- Refinancing of CHF 1.6bn (Euro 1.0bn)<sup>(1)</sup> of Winterthur's outstanding debt

## Value creation

- Expected annual cost savings of Euro 280m pre-tax<sup>(2)</sup> fully phased from end 2008
- Accretive to adjusted EPS<sup>(3)</sup> from 2007
- Accretion per share expected to reach 7% in 2009

## Financing

- ~45% equity through a capital increase
- ~55% debt through a mix of perpetual deeply subordinated debt, subordinated debt and senior debt

## Timing

- Expected closing around year-end 2006



(1) Including CHF 1.1bn (Euro 0.7bn) of internal loans from Credit Suisse Group to Winterthur.

(2) Net of policyholder benefits and minority interests.

(3) Fully diluted basis.

# The acquisition of Winterthur fits well with AXA's strategic focus on organic growth enhanced by external growth

Winterthur's operations will further increase AXA's geographic diversification, as well as complement and strengthen AXA's distribution channels and product range.

## Europe & Asia

- Strengthen AXA's European franchise while increasing its exposure to high growth markets:
  - ▶ Acquisition of a leading and profitable position in the Swiss market
  - ▶ Consolidation of AXA's position in 5 key European countries: Germany, Belgium, the Netherlands, Spain and the UK
  - ▶ Acquisition of high growth Life & Pensions operating platforms in Central and Eastern Europe
  - ▶ Increased exposure to Asia, with complementary activities in Japan, HK and China.

## Asset Mgt

- Winterthur brings CHF 153 billion (Euro 100 billion) of assets under management and a strong Swiss Franc fixed income expertise to AXA's asset management franchises

## US

- Winterthur's US P&C business, which is a profitable super-regional business focused on individuals and SME's in selected states, is under strategic review





# Together Winterthur and AXA will have key positions in the key markets of today ... and tomorrow

US Variable Annuities #3\*  
US P&C under strategic review  
Canada P&C #5 (Citadel bought in '05)

France #1 P&C, #3 Life  
Switzerland #1 P&C, #2 Life  
Belgium #1 P&C, #4 Life  
UK #3 P&C, #7 Life  
Germany #3 P&C, #5 Life & Health  
Spain #2 P&C, #7 Life  
Netherlands #7 P&C, #9 Life

CEE: Top 10 in Life / Top 5 in Pensions

Japan Life #12 (#5 foreign player)  
Australia #6 Life  
Hong Kong #3 Life

Asset Management (World Top 5)  
Total Assets under Mgmt : Euro 1,164 bn

Rankings - year end 2005

Press Conference – June 14, 2006 – 13



# This acquisition will enable both Winterthur and AXA to be stronger to better serve the needs for protection and advice of customers

**AXA is delivering on its organic growth objectives...**

- 2005 performance marked a first successful milestone on AXA's path towards reaching Ambition 2012.
- 2006 is off to a strong start as demonstrated by AXA's 1Q06 activity indicators

**...which is allowing the Group to integrate smoothly bolt-on acquisitions such as Winterthur,...**

- Very complementary business, product and distribution mix
- Strengthening AXA's franchises in core European and Asian markets
- Entry into the high growth Central and Eastern Europe emerging markets

**...both contributing to AXA's long-term prospects**

- Accrued benefits of being global
- Increased growth potential and top of AXA's existing Ambition 2012 target
- Enhanced value creation for the shareholders



# A great strategic and human fit

## We have a vision

- To become the preferred company in our industry
- Employees and Organizations focused on meeting stakeholders' expectations
- Corporate values and behaviours are praised as much as technical skills

## We respect local cultures and care for people development

- A decentralized organization with a strong governance culture
- We believe mixing talents and origins help us be stronger and closer to the customers
- A true culture of entrepreneurship is promoted throughout the organization
- We care for our employees well being and personal development
- We offer great opportunities for international careers

## We share best practices to boost our competitive advantage

- Product innovation
- Distribution management
- Quality of Service
- Productivity
- Underwriting, Claims management, Pricing, Investment performance



**“We welcome the opportunity  
to shape our future together”**

**For Our Clients**

**AXA  
+  
Winterthur  
=  
Preferred  
Company**

**For Our Employees  
and Sales Forces**

**For Our Shareholders**



## Disclaimer and cautionary statements concerning forward-looking statements

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predications of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties, including the risk that the proposed merger may not be consummated. The following factors, among others, could cause actual results to differ materially from those described herein or from past results: the risk that the AXA and Winterthur businesses will not be integrated successfully; the costs related to the transaction; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals and consents; other risks and uncertainties affecting AXA's and Winterthur's businesses including, without limitation, the risk of future catastrophic events including possible future weather-related catastrophic events, terrorist related incidents, economic and market developments, regulatory actions and developments, litigations and other proceedings.

Please refer to AXA's Annual Report on Form 20-F for the year ended December 31, 2004 and AXA's Document de Référence for the year ended December 31, 2005, for a description of certain important factors, risks and uncertainties that may affect AXA's business. AXA undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

Please refer to Winterthur's Annual Report for the year ended December 31, 2005, for a description of certain important factors, risks and uncertainties that may affect Winterthur's business.

The information relating to Winterthur in this presentation has been taken from Winterthur's Annual Report for the year ended December 31, 2005 and from other public sources.





---

*Be Life Confident*

---